

## FEDERAL TRADE COMMISSION Agency Information Collection Activities; Proposed Collection; Comment Request

**AGENCY:** Federal Trade Commission ("FTC" or "Commission").

**ACTION:** Notice.

SUMMARY: The information collection requirements described below will be submitted to the Office of Management and Budget (OMB) for review, as required by the Paperwork Reduction Act (PRA). The FTC seeks public comments on its proposal to extend, for three years, the current PRA clearance for information collection requirements contained in its Trade Regulation Rule entitled Power Output Claims for Amplifiers Utilized in Home Entertainment Products (Amplifier Rule or Rule) (OMB Control Number 3084-0105). That clearance expires on January 31, 2018.

**DATES:** Comments must be submitted by [INSERT DATE 60 DAYS AFTER PUBLICATION IN FEDERAL REGISTER].

ADDRESSES: Interested parties may file a comment online or on paper by following the instructions in the Request for Comments part of the SUPPLEMENTARY INFORMATION section below. Write "Amplifier Rule: FTC File No. P974222" on your comment, and file your comment online at https://ftcpublic.commentworks.com/ftc/amplifierrulepra1 by following the instructions on the web-based form. If you prefer to file your comment on paper, mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue, NW, Suite CC-5610 (Annex J), Washington, DC 20580, or deliver your comment to the following address: Federal Trade Commission, Office of the

Secretary, Constitution Center, 400 7th Street, SW, 5th Floor, Suite 5610 (Annex J), Washington, DC 20024.

**FOR FURTHER INFORMATION CONTACT:** Requests for additional information should be addressed to Jock K. Chung, Attorney, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Mail Code CC-9528, 600 Pennsylvania Ave., NW, Washington, DC 20580, (202) 326-2984.

**SUPPLEMENTARY INFORMATION:** Under the PRA, 44 U.S.C. 3501-3521, federal agencies must obtain approval from OMB for each collection of information they conduct or sponsor. "Collection of information" means agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. 44 U.S.C. 3502(3); 5 CFR 1320.3(c). As required by section 3506(c)(2)(A) of the PRA, the FTC is providing this opportunity for public comment before requesting that OMB extend the existing clearance for the information collection requirements contained in the Commission's Amplifier Rule, 16 CFR Part 432 (OMB Control Number 3084-0105). The FTC invites comments on: (1) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection

techniques or other forms of information technology, *e.g.*, permitting electronic submission of responses.

The Amplifier Rule assists consumers by standardizing the measurement and disclosure of power output and other performance characteristics of amplifiers in stereos and other home entertainment equipment. The Rule also specifies the test conditions necessary to make the disclosures that the Rule requires.

## **Amplifier Rule Burden Statement:**

Estimated annual hours burden: 450 hours (300 testing-related hours; 150 disclosure-related hours).

The Rule's provisions require affected entities to test the power output of amplifiers in accordance with a specified FTC protocol. The Commission staff estimates that approximately 300 new amplifiers and receivers come on the market each year. High fidelity manufacturers routinely conduct performance tests on these new products prior to sale. Because manufacturers conduct such tests, the Rule imposes no additional costs except to the extent that the FTC protocol is more time-consuming than alternative testing procedures. In this regard, a warm-up period that the Rule requires before measurements are taken may add approximately one hour to the time testing would otherwise entail. Thus, staff estimates that the Rule imposes approximately 300 hours (1 hour x 300 new products) of added testing burden annually.

In addition, the Rule requires disclosures if a manufacturer makes a power output claim for a covered product in an advertisement, specification sheet, or product brochure. This requirement does not impose any additional costs on manufacturers because, absent the Rule, media advertisements, as well as manufacturer specification sheets and product

brochures, would contain a power specification obtained using an alternative to the Rulerequired testing protocol. The Rule, however, also requires disclosure of harmonic distortion, power bandwidth, and impedance ratings in manufacturer specification sheets and product brochures that might not otherwise be included.

Staff assumes that manufacturers produce one specification sheet and one brochure each year for each new amplifier and receiver. The burden of disclosing the harmonic distortion, bandwidth, and impedance information on the specification sheets and brochures is limited to the time needed to draft and review the language pertaining to the aforementioned specifications. Staff estimates the time involved for this task to be a maximum of fifteen minutes (or 0.25 hours) for each new specification sheet and brochure for a total of 150 hours (derived from [300 new products x 1 specification sheet) + (300 new products x 1 brochure)] x 0.25 hours).

The total annual burden imposed by the Rule, therefore, is approximately 450 burden hours for testing and disclosures.

Estimated annual cost burden: \$23,463.

Generally, electronics engineers perform the testing of amplifiers and receivers. Staff estimates a labor cost of \$14,967 for such testing (300 hours for testing x \$49.89 mean hourly wages). Staff assumes advertising or promotions managers prepare the disclosures contained in product brochures and manufacturer specification sheet and estimates a labor cost of \$8,496 (150 hours for disclosures x \$56.64 mean hourly wages).

Accordingly, staff estimates the total labor costs associated with the Rule to be approximately \$23,463 per year (\$14,967 for testing + \$8,496 for disclosures).

The Rule imposes no capital or other non-labor costs because its requirements are incidental to testing and advertising done in the ordinary course of business.

Request for Comment:

You can file a comment online or on paper. [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. Write "Amplifier Rule: FTC File No. P974222" on your comment. Your comment -- including your name and your state -- will be placed on the public record of this proceeding, including, to the extent practicable, on the public Commission website, at https://www.ftc.gov/policy/public-comments. Postal mail addressed to the Commission is subject to delay due to heightened security screening. As a result, we encourage you to submit your comments online. To make sure that the Commission considers your online comment, you must file it at https://ftcpublic.commentworks.com/ftc/amplifierrulepra1 by following the instructions on the web based form. If this Notice appears at https://www.regulations.gov, you also may file a comment through that Web site.

If you file your comment on paper, write "Amplifier Rule: FTC File No. P974222" on your comment and on the envelope, and mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue, NW, Suite CC–5610 (Annex C), Washington, DC 20580, or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street SW, 5th Floor, Suite 5610, Washington, DC 20024.

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<sup>&</sup>lt;sup>1</sup> The wage rates for electronics engineers and advertising and promotions managers are based on recent data from the Bureau of Labor Statistics Occupational Employment Statistics Survey at https://www.bls.gov/news.release/ocwage.htm.

If possible, submit your paper comment to the Commission by courier or overnight service.

Because your comment will be placed on the publicly accessible FTC Website at www.ftc.gov, you are solely responsible for making sure that your comment does not include any sensitive or confidential information. In particular, your comment should not include any sensitive personal information, such as your or anyone else's Social Security number; date of birth; driver's license number or other state identification number, or foreign country equivalent; passport number; financial account number; or credit or debit card number. You are also solely responsible for making sure that your comment does not include any sensitive health information, such as medical records or other individually identifiable health information. In addition, your comment should not include any "trade secret or any commercial or financial information which . . . is privileged or confidential" – as provided by Section 6(f) of the FTC Act, 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2) – including in particular competitively sensitive information such as costs, sales statistics, inventories, formulas, patterns, devices, manufacturing processes, or customer names.

Comments containing material for which confidential treatment is requested must be filed in paper form, must be clearly labeled "Confidential," and must comply with FTC Rule 4.9(c). In particular, the written request for confidential treatment that accompanies the comment must include the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. See FTC Rule 4.9(c). Your comment will be kept confidential only if the General Counsel grants your request in accordance with the law and the public interest. Once

your comment has been posted on the public FTC Website – as legally required by FTC

Rule 4.9(b) – we cannot redact or remove your comment from the FTC Website, unless

you submit a confidentiality request that meets the requirements for such treatment under

FTC Rule 4.9(c), and the General Counsel grants that request.

Visit the Commission Website at https://www.ftc.gov to read this Notice. The

FTC Act and other laws that the Commission administers permit the collection of public

comments to consider and use in this proceeding as appropriate. The Commission will

consider all timely and responsive public comments that it receives on or before

[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL

REGISTER]. You can find more information, including routine uses permitted by the

Privacy Act, in the Commission's privacy policy, at https://www.ftc.gov/site-

information/privacy-policy.

Christian S. White

Acting General Counsel.

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7